

**FY08 APPROPRIATIONS UPDATE**  
**Veto Threats on Appropriations Ring Hollow**  
*Democrats restore fiscal responsibility  
and reinvest in American prosperity*

**To:** Reporters, editorial writers, editors  
**From:** House Majority Leader Steny H. Hoyer  
**Re:** Investing in America's Priorities: Fiscal Year 2008  
Appropriations  
**Date:** June 22, 2007

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**Democrats Reinvest in America's Priorities, Restore Fiscal Responsibility**

Since President Bush took office in January 2001, the Administration and Congressional Republicans have effectively cut investment in America's priorities and economic prosperity, including education and health care. All the while, the Republican Party – which controlled the White House and both chambers of Congress – adopted policies that created record budget deficits and added more than \$3 trillion to America's national debt.

This year, with new Democratic majorities in both the House and Senate, Democrats are fighting to reverse these cuts and to make critical – albeit modest and responsible – increases in key national priorities that will help lay the foundation for America's success in this new century. These investments will help make college more affordable, health care more accessible, our communities safer, and our nation more energy independent.

Democrats are restoring fiscal responsibility in Washington. These modest increases fit within a Democratic budget plan that will return our federal budget to balance by 2012, and reflect non-security discretionary spending levels at 6% below Fiscal Year 2004, when inflation and population growth are taken into account. And as one of our first orders of business, we restored the responsible pay-as-you-go budget rules that helped usher in budget surpluses in the 1990s—earning kudos from the most respected fiscal watchdog groups.

**Critical Investment in Education, Health Care and Other Priorities**

*Education:* Democrats have increased Pell Grants by 14.6%, helping an additional 5.5 million students pay for the exploding costs of a college education. Democrats also will strengthen No Child Left Behind programs by increasing investment in reading and math programs for low-income students and initiatives that improve teacher quality. We also will increase IDEA grants by 1.6 %, helping children with disabilities realize their potential. The bottom line is, in a global economy where education is critical to individual and national success, it is imperative that the United States maintain its edge in education.

*Health Care:* Democrats would increase investment for the National Institutes of Health by \$750 million to conduct groundbreaking research into cures for disease. We also will invest an additional \$1.1 billion to help protect Americans from a devastating pandemic, and will improve access to health care to reduce the number of Americans who are forced to turn to emergency rooms as their primary source of care—a hugely inefficient use of taxpayer dollars.

*Veterans' Care:* Democrats propose making the largest increase for veterans' medical care in the Department of Veterans' Affairs 77-year history. This increase would help ensure that no veteran ever has to endure the deplorable treatment recently uncovered at Walter Reed Army Medical Center, as well as other military and veterans hospitals. In addition, a \$100 million increase for veterans' mental health will help our brave service members re-acclimate themselves to life off the battlefield. And, a \$38 million increase in assistance to homeless veterans will help alleviate a situation that is nothing short of a national embarrassment.

*Law Enforcement:* The Bush Administration repeatedly proposed to eliminate the successful COPS hiring program. In contrast, Democrats would put an additional 50,000 police officers on our nation's streets, and increase support for our first responders to strengthen our ability to respond to a terrorist attack or natural disaster. Also, Democrats will increase investment for rail and public transportation security to enhance commuters' and travelers' safety.

These are only four areas in which Democrats are moving our country in a new direction through the appropriations process. We are also strengthening our commitment to climate change, energy independence, and community development because it is long past time that these domestic priorities receive the attention and resources they deserve.

### **Veto Threats Reject Critical Investments in America's Future**

President Bush proposed in his FY2008 budget to cut domestic programs such as Head Start and job training by \$16 billion. Democrats believe it is critical we restore those cuts and instead make a modest 1.4 percent increase in investment in the key priorities described above.

To be clear, this is not a disagreement about making large increases in spending. It is a choice between making critical investments in America's future or vetoing bills over an amount that is equal to what is spent in two months in Iraq, and that represents only a .8% difference with the President's budget.

In addition, the respected non-partisan budget policy center, Center on Budget and Policy Priorities, notes "*Under the funding levels that Congress plans, domestic discretionary programs would grow more slowly than revenues, and thus would not create pressure for tax increases.*"

The vast majority of Congressional Republicans have pledged to sustain the President's vetoes – despite the fact that these bipartisan bills are passing out of committee virtually without dissent. These threats are a harmful political ploy by Republicans to reclaim the mantle of fiscal responsibility after six years of deficit spending, and deficit-financed, war-time tax breaks that disproportionately benefit the wealthiest among us. Democrats hope that Republicans will instead join us in making these critical investments in key priorities that will create economic prosperity, while helping to balance the budget.

### **Democrats Bring Transparency and Accountability to Earmarks**

During Republican rule, there was an explosion of earmarks and widespread scandal connected to abuse of earmarks. For example, the Labor-Health-Education Appropriations bill went from virtually no earmarks under Democrats to 3,031 totaling \$1.2 billion two years ago (Republicans did not pass this bill last year). In Fiscal Year 1995, the last year Democrats were in charge, there were 265 earmarks known as Economic Development Initiatives in the Housing and Urban Development Appropriations bill. In Fiscal Year 2006, there were 1,176 such earmarks. In the first 20 Highway Authorization bills enacted into law (from 1956 to 1995) there were 739 earmarks. The 2005 Highway bill provided a record 5,000 earmarks worth \$24 billion.

Democrats changed the rules of the House in one of our first acts this year to bring unprecedented transparency and accountability to earmarks. Under the new rules, the sponsor of every earmark will be identified and Members are required to certify that neither they nor their spouses financially benefit from it. In addition, Democrats pledged to cut the amount of money spent on earmarks in half.

In fact, Rep. Jeff Flake (R-AZ), a crusader against earmarks, praised the Democratic reforms on the House Floor, saying: *“I want to compliment the Democrats for earmark reform that is stronger than what the Republicans did. Democrats in this way had more guts than we did to tackle earmark reform in a meaningful way.”*

Democrats have shown and will continue to show in deed, not just word, that we are serious about accountability and transparency. We are serious about moving forward with the people's business. And we are serious about moving this country in a new direction.